

No.Audit I(3) 26292/2011

Directorate of Agriculture,
Thiruvananthapuram,
Dated: 19.09.2011

CIRCULAR

Sub:- Agriculture Department- Avoidance of delay in the issue of NLC/ LC to the retired Officers- instructions issued-regarding

It has been noticed that several files are pending in Agriculture Department in connection with the issuance of Non Liability Certificate / Liability Certificate in respect of the Officers retired from service on superannuation during the past years. Following are the main reasons found for the delay in the issuance of NLC LC.

- (i) The scheme implementing officers are not maintaining the connected files properly and often fail to produce Advance Receipts, Cash Bills/ Vouchers/ Chalans, Utilisation Certificate, Completion Certificate and Accounts proper.
- (ii) Officers responsible for dealing with cash stores, stock and other valuables etc. are often fail to maintain them properly.
- (iii) Delays in furnishing replies to Audit conducted by the Accountant General, Internal Audit of the Department, surprise Inspections conducted by Finance Department etc.
- (iv) Departmental delay in the conduct of Internal Audit due to shortage of staff etc.

Instances have also been reported that the Head of office pay scant regard to the Audit. The Accountant General & Internal Audit Wings have reported that the Head of office were not present in same office during the period of audit to furnish reply to Audit Notes / clarify points raised by Audit team, so as to enable sport clearance of several objections.

(2) In order to clear the pendency in the issue of NLC/ LC in respect of the retired/ retiring officers, following instructions are issued for strict compliance by all concerned.

- (i) The scheme implementing officers should ensure that the Accounts are properly maintained; all Advance vouchers/ Cash Bills/ receipts, chalans, Utilisation Certificate etc are obtained and kept in office for Audit.

- (ii) All purchases should be made in accordance with the store purchase manual. If purchases made beyond their delegation of powers, on unavoidable circumstances, ratification from appropriate authority may be made without any delay.
- (iii) When an advance is drawn through contingent bills for specific purpose and disburses to others concerned the DDO should obtain proper receipts of advance and the receipt so obtained should be attached to the concerned contingent bills instead of keeping them in separate bundles. The Advances should be settled within the time prescribed in the rules. Every advance drawn should be adjusted within a period of 3 months from the date of drawal. Penal interest @ 12.5% should be levied on each pending cases.
- (iv) Government money should not be unnecessarily retained in hand.
- (v) When an officer proceeds on leave other than casual leave or is relieved on promotion, transfer, deputation, or for any other reason, he/she shall hand over all pending files, keys, valuable documents under his/her custody to the officers concerned with the list of documents prepared and obtain proper acknowledgement/ mutual acknowledgement. A copy of the list may be forwarded to the Superior Officer and the latter shall keep the same with the Audit Wing concerned.
- (vi) Diversion of Fund, excess expenditure beyond allotment issued should be avoided.
- (vii) The Head of office will keep the Audit files properly and intimate, well in advance to the Principal Agricultural Officer/ Director of Agriculture for arrangement of Internal Audit close of every financial year.
- (viii) In the case of retirement of officers, the Head of Office should intimate the Internal Wing 3 months prior to his/ her retirement to conduct the Audit of Accounts for issuing NLC/ LC at the earliest. Similarly, when a Head of office is transferred from one station to another, he should intimate the Principal Agricultural Officer / Director of Agriculture to conduct the Audit of Accounts during his period in that office. On receipt of such intimation for conducting Audit the Internal Audit wing concerned will arrange Audit with a notice to the transferred officer also.
- (ix) Consequent on the unification of retirement age as on 31st March, it is a very difficult task to complete the Audit work on the next succeeding months so as to enable the Department to issue NLC/ LC to the retired officers. Hence first priority may be given to NLC/ LC Audit. For the

purpose, additional staff in the Principal Agricultural Office/ Directorate of Agriculture etc may be deployed for the specific purpose of Audit, succeeding 3 months of March to complete the work.

(3) Special drive for clearing the pending Audit objections for issuing LC/ NLC

- (i) The NLC / LC cases pending issue for want of reply to clear Audit objections for the past several years may be taken up on a priority basis. The Principal Agricultural Officer will issue notice to persons those who were dealt with the scheme file / work file/ purchase file etc. and fix a date(s) discuss the objections in detail and take decision to drop them. If necessary, the retired officer may be heard in person. If a scheme was completed / partially completed and Audit objection is pending for some reasons pertained to the irregularities on the implementation of the scheme / work for want of proper receipts/ Utilisation Certificate / completion certificate etc. Such schemes/ works may be physically verified by a competent officer/ technical officer, as the case may be, and if physical target is fully achieved/ partially achieved certificate to that effect may be issued, and, on its merit, take action to drop the objection as far as possible.
- (ii) Similarly, action may be done in the case of purchase files and all pending cases in a bonafide manner. Cases related to Vigilance enquiry by V&ACB, cases related to High Court and other courts, Disciplinary action cases etc may be dealt with separately on its merits and action taken may be intimated to the Advocate General / District Collector/ Government Pleader for early disposal of the Court cases. Final decision at Departmental level can be taken only after finalization of vigilance cases/ Court cases/ disciplinary cases.
- (iii) The special drive may be conducted by utilizing the services of the entire staff/ officers in the Principal Agricultural Office on a specific date(s) in the coming month(s) till pending cases are dropped. However, efforts may be made to clear the pending cases within two months at any rate.

(4) Audit files pending in Head Quarters

The Internal Audit Wing in Head quarters will list out all cases of pending files for issue of LC / NLC in district-wise and year-wise and send the list to the concerned sub offices for furnishing replies after processing them as stated in para 4 ante. The sub offices can also seek the advice of Senior Finance Officer/ Vigilance Officer to drop the pending objections. The replies to Audit objections now pending with various sections in the Directorate should furnish them within the time limit of 2 months. The Senior Officers in charge of those sections

should convene meeting and help them to furnish replies to Internal Audit Wing to drop the objections.

(5) In order to facilitate the Audit objections pertained to the issue of LC/ NLC, the District officers and other officers should prepare the list of pending cases indicating the file No. and period of Audit/ Inspection covered related to Accountant General's office, Internal Audit of head quarters, Vigilance Inspection, Internal Audit of Finance Department/ Surprise Inspection Report of Finance Department etc. separately and report to Internal Audit section in the Directorate.

(6) All Head of Offices/ Senior level Officers in the Directorate// all sections should ensure that the above instructions are strictly complied with. Any lapse in this regard will be viewed seriously.

Sd/-

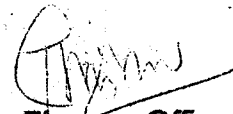
Director of Agriculture

To

All Principal Agricultural Officers and Other Head of Offices
All Senior level/ middle level Officers in the Directorate
All Section Heads in the Directorate

Copy to:

The PA to Director of Agriculture
IT Division for issuing in the website



Senior Finance Officer

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